Introduced by Assembly Member Charles Calderon

February 18, 2011

An act to amend Sections 60300, 60305, 60306, 60309, 60315, 60316, 60317, 60317.5, and 60325 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 954, as introduced, Charles Calderon. Water replenishment districts.

(1) The Water Replenishment District Act provides for the formation of water replenishment districts. The act grants authority to a water replenishment district relating to the replenishment, protection, and preservation of groundwater supplies within that district. The act requires the board of directors of a water replenishment district to prepare annually an engineering survey and report that includes information relating to the groundwater supplies within the district. The act requires the board to make certain determinations in connection with a decision to impose a water replenishment assessment to purchase replenishment water or to remove contaminants from the groundwater supplies of the district. The act requires the water replenishment assessment to be fixed at a uniform rate per acre-foot of groundwater produced within the district.

This bill, instead, would require information in that engineering survey and report, and those related determinations, to pertain to the groundwater in each basin within the district. The board of directors of a water replenishment district, upon determining to impose a water replenishment assessment on the production of groundwater from each groundwater basin, would be required, except as otherwise provided,

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to impose the assessment in an amount that is calculated to pay for costs that include the actual cost of replenishing the groundwater basin, removing contaminants from the groundwater basin, and the administrative costs of the district. The charge would be required to be fixed at a uniform rate. The bill would make other conforming changes. By establishing these requirements on a water replenishment district, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 60300 of the Water Code is amended to 1 2 read:

60300. Not later than the second Tuesday in February of each year year, the board shall order an engineering survey and report to be made regarding the ground water groundwater supplies of the district. The same engineering survey and report shall include, among all other information and data-which that the board may require, the following:

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(a) Records,—data data, and other information for the consideration of the board in its determination of the annual overdraft; overdraft.

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> (b) Records,—data data, and other information for the consideration of the board in its determination of the accumulated overdraft as of the last day of the preceding water year; year.

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(c) A report, with supporting data, as to the total production of ground water groundwater from the ground water groundwater supplies within the replenishment district during the preceding wateryear; year.

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(d) A report, with supporting data, as to the changes during the preceding water year in the pressure levels or piezometric heights of the ground water groundwater contained within pressure-level areas of the replenishment district, and as to the effects thereof upon the ground water supplies each groundwater basin within such the replenishment district; district.

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(e) An estimate of the annual overdraft for the current water year and for the ensuing water year; year.

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(f) An estimate of the accumulated overdraft as of the last day of the current water-year; year.

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(g) An estimate of the total production of ground water groundwater from the ground water supplies each groundwater basin within the replenishment district for the current water year and for the ensuing water year; year.

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(h) An estimate of the changes during the current water year in the pressure levels or piezometric heights of the ground water groundwater contained within pressure-level areas of each groundwater basin within the replenishment district, and of the effects thereof upon the ground water supplies each groundwater basin within such the replenishment district; district.

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- (i) An estimate of the quantity, source, and cost of water available for replenishment of needed to replenish the ground water supplies groundwater in each basin within the replenishment district during the ensuing water year under the provisions of Section 60315.
- (j) An estimate of the total costs, including program and administrative costs, of the district during the ensuing water year.
- SEC. 2. Section 60305 of the Water Code is amended to read: 60305. (a) On or before the second Tuesday in March of each year, and provided the *engineering* survey and report-called for required by Section 60300 has been made, the board, by resolution, shall declare whether funds shall be raised to purchase water for replenishment during the next ensuing fiscal year and whether the
- 39 funds shall be raised either by (a) a water charge, as provided in
- 40 Chapter 2 (commencing with Section 60245) of Part 5, (b) a

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general assessment, as provided in Chapter 3 (commencing with Section 60250) of Part 5, (c) a replenishment assessment as provided in this chapter, or (d) a combination of any two or more of the foregoing, and whether the funds so to be raised, whether by a water charge, a general assessment, a replenishment assessment or a combination of those means, will benefit, directly or indirectly, all of the persons or real property and improvements groundwater basin within the district. The resolution shall also declare whether funds shall be raised to remove contaminants from groundwater supplies district during the next ensuing fiscal year or to exercise any other power under Section 60224, and whether the funds for that purpose shall be raised by a replenishment assessment as provided in this chapter, with a like statement any of benefit. the following:

- (1) A water charge, as provided in Chapter 2 (commencing with Section 60245) of Part 5.
- (2) A general assessment, as provided in Chapter 3 (commencing with Section 60250) of Part 5.
 - (3) A replenishment assessment as provided in this chapter.
- (4) A combination of any two or more of the charge or assessments described in this subdivision, and whether the funds to be raised, whether by a water charge, a general assessment, a replenishment assessment or a combination of those means, will benefit, directly or indirectly, all of the persons or real property and improvements overlying the groundwater basin for which replenishment water is proposed to be purchased.
- (b) The resolution shall also declare whether funds shall be raised to remove contaminants from any groundwater basin within the district during the next ensuing fiscal year or to exercise any other power under Section 60224, and whether funds for that purpose shall be raised by a replenishment assessment as provided in this chapter, with a statement of benefit similar to that set forth in subdivision (a).
- SEC. 3. Section 60306 of the Water Code is amended to read: 60306. (a) If the board, by resolution, determines that all or a portion of the funds needed to purchase replenishment water, or for any groundwater basin within the district, to remove contaminants from the groundwater-supplies of basin within the district, or to exercise any other power under Section-60224, 60224 with regard to any groundwater basin within the district, shall be

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raised by the levy of a replenishment assessment, then the board shall immediately publish a notice that a public hearing will be held on the second Tuesday of April for the purpose of determining whether and to what extent the estimated costs thereof for the ensuing year shall be paid for by a replenishment assessment. The notice shall contain a copy of the board's resolution, the time and place of the hearing, and an invitation to all interested parties to attend and be heard in support of or opposition to the proposed assessment, the engineering survey and report, and the board's determination, and shall invite inspection of the engineering survey and report assessment imposed upon—which the board acted. The notice shall be published in each affected county pursuant to Section 6061 production of water from the Government Code, at least 10 days before the hearing date. affected groundwater basin.

- (b) The notice shall contain a copy of the resolution, the time and place of the hearing, and an invitation to all interested parties to attend and be heard in support of or opposition to the proposed assessment, the engineering survey and report, and the board's determination, and shall invite inspection of the engineering survey and report upon which the board acted. The notice shall be published in each affected county pursuant to Section 6061 of the Government Code, at least 10 days before the hearing date.
- SEC. 4. Section 60309 of the Water Code is amended to read: 60309. All evidence relevant to the engineering survey and report and the board's determination that—such a replenishment assessment shall be levied *upon the production of water from a groundwater basin within the district* may be introduced.
- SEC. 5. Section 60315 of the Water Code is amended to read: 60315. Upon completing the hearing, but no later than the second Tuesday in May, the board shall, by resolution, resolution adopted with regard to the replenishment of any groundwater basin within the district, find all of the following:
- (a) The annual overdraft of the groundwater basin for the preceding water year.
- (b) The estimated annual overdraft of the groundwater basin for the current water year.
- (c) The estimated annual overdraft of the groundwater basin for the ensuing water year.
- 39 (d) The accumulated overdraft *of the groundwater basin* as of 40 the last day of the preceding water year.

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(e) The estimated accumulated overdraft *of the groundwater* basin as of the last day of the current water year.

- (f) The total production of groundwater from the groundwater supplies within basin for the district during the preceding water year.
- (g) The estimated total production of groundwater from the groundwater supplies within the district basin for the current water year.
- (h) The estimated total production of groundwater from the groundwater supplies within the district basin for the ensuing water year.
- (i) The changes during the preceding water year in the pressure levels or piezometric heights of the groundwater contained within pressure-level areas of the district, groundwater basin, and the effects thereof upon the groundwater supplies water supply within the district. basin.
- (j) The estimated changes during the current water year in the pressure levels or piezometric heights of the groundwater contained within pressure-level areas of the district, groundwater basin, and the estimated effects thereof upon the groundwater supplies within the district. basin.
- (k) The quantity of water that should be purchased for the replenishment of the groundwater supplies of the district basin during the ensuing water year.
- (*l*) The source and estimated cost of water available for the replenishment. replenishment of the groundwater basin.
- (m) The estimated costs of replenishing the groundwater-supplies *basin* with the water-so purchased.
- (n) The estimated costs of purchasing, in water years succeeding the ensuing water year, that portion of the quantity of water which should be purchased for the replenishment of the groundwater supplies of the district basin during the ensuing water year, but which is estimated to be unavailable for purchase during the ensuing water year; estimated year. Estimated costs shall be based on the estimated price of water for replenishment purposes during the ensuing water year.
- (o) The estimated rate of the replenishment assessment required to be levied upon the production of groundwater from the groundwater-supplies within the district basin during the ensuing fiscal year for the purposes of accomplishing the-replenishment

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replenishment, including the payment of a reasonable, pro rata allocation of the costs, including program and administrative costs, of the district and providing a reserve fund to purchase in future years, when available, that portion of the quantity of water which should be purchased for the replenishment of the groundwater supplies of the district basin during the ensuing water year, but which is estimated to be unavailable for purchase during that ensuing water year.

- (p) Whether any contaminants should be removed from *any* groundwater—supplies basin during the ensuing fiscal year, and whether any other actions under Section 60224 should be undertaken with regard to the groundwater basin during the ensuing fiscal year, the estimated costs thereof, and the estimated additional rate of replenishment assessment required to be levied upon the production of groundwater from the groundwater—supplies within the district basin during the ensuing fiscal year for those purposes.
- (q) Whether any program for removal of contaminants from the groundwater basin or other actions taken with regard to the groundwater basin under Section 60224 should be a multiyear program or is a continuation of a previously authorized multiyear program.
- (r) The amount, if any, by which the estimated reserve funds on hand at the end of the current fiscal year will exceed the annual reserve fund limit determined pursuant to Section 60290.
- SEC. 6. Section 60316 of the Water Code is amended to read: 60316. Based on the findings pursuant to Section 60315, the board shall, by resolution, determine all of the following:
- (a) What portion, if any, of the estimated cost of purchasing water for replenishment of a groundwater basin within the district for the ensuing fiscal year shall be paid for by a replenishment assessment. assessment levied upon the production of groundwater from the basin.
- (b) What portion, not exceeding 25 percent of the above portion, of the estimated cost of purchasing in the future that quantity of water which should be purchased during the ensuing water—year, year for the replenishment of a groundwater basin within the district, but which is estimated to be unavailable during that year, shall be raised by a replenishment—assessment. assessment levied upon the production of groundwater from the basin.

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(c) What portion of the estimated costs of removing contaminants from any groundwater-supplies basin within the district and of taking other actions under Section 60224 with regard to the groundwater basin during the ensuing fiscal year shall be paid for by a replenishment-assessment levied upon the production of groundwater from the basin.

- (d) What portion, if any, of the cost of a capital improvement project for replenishment purposes of a groundwater basin within the district shall be paid for by a replenishment-assessment. assessment levied upon the production of groundwater from the basin.
- (e) What portion, if any, of the cost of a capital improvement project undertaken pursuant to Section 60224 with regard to a groundwater basin within the district shall be paid for by a replenishment-assessment. assessment levied upon the production of groundwater from the basin.
- SEC. 7. Section 60317 of the Water Code is amended to read: 60317. (a) If the board determines that a replenishment assessment shall be levied upon the production of groundwater from groundwater supplies within the district during the ensuing fiscal year, immediately following the making of that determination the board shall levy a replenishment assessment on the production of groundwater from each groundwater basin within the district during the fiscal year commencing on July 1.
- (b) (1) The amount of the replenishment assessment shall be calculated in an amount to pay for costs that include the actual cost of replenishing the groundwater basin, the actual cost of removing the contaminants from the groundwater basin, including the undertaking of an action under Section 60224 on behalf of the groundwater basin, and the administrative costs of the district. The rate shall be a uniform rate calculated on the basis of the per acre-foot amount of groundwater produced from the basin.
- (2) Notwithstanding paragraph (1), the amount of the replenishment assessment calculated for each groundwater basin may not exceed the following amounts in the following years:
- 36 (A) ____ (\$____) for 2012
- (B) ____(\$___) for 2013. 37 38
 - (C) ____(\$___) for 2014.
- If the board determines that a replenishment assessment shall 39 be levied upon the production of groundwater from groundwater 40

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supplies within the district during the ensuing fiscal year, immediately following the making of that determination the board shall levy a replenishment assessment on the production of groundwater from the groundwater supplies within the district during the fiscal year commencing on July 1st next, and the replenishment assessment shall be fixed by the board at a uniform rate per acre-foot of groundwater so produced. The

- (c) The producers of that groundwater shall pay the replenishment assessment to the district at the times and in the manner provided in this division. That part of the assessment levied pursuant to the determination provided in subdivision (c) of Section 60316, exclusive of any part thereof for district administrative and overhead expenses, shall not exceed 50 percent of the average assessment levied for the current and four preceding fiscal years pursuant to determinations under subdivisions (a) and (b) of Section 60316, exclusive of any part thereof for district administrative and overhead expenses.
- SEC. 8. Section 60317.5 of the Water Code is amended to read: 60317.5. (a) Except as set forth in this section, nothing in this division prevents the use of district funds from any source for powers and functions authorized under this division. That part of a replenishment assessment levied pursuant to determinations under subdivisions (a) and (b) of Section 60316 shall not be utilized for the direct costs of prevention and removal of contaminants under subdivisions (a) and (b) of Section 60224.
- (b) Any part of a replenishment assessment levied pursuant to a determination under subdivision (c) of Section 60316 that is not expended may be obligated and expended for other uses authorized by Section 60224 that benefit the groundwater basin to which the replenishment assessment applies, after a hearing and findings pursuant to Sections 60306 and 60315.
- (c) Any part of a replenishment assessment levied pursuant to a determination under subdivision (c) of Section 60316 that remains unexpended and unobligated for five fiscal years after the last obligation thereof, or any shorter period which the board may by resolution determine, shall be deemed to have been levied for other costs and expenses for which a replenishment assessment is authorized under this division.

Except as set forth in this section, nothing in this division prevents the use of district funds from any source for powers and

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1 functions authorized under this division. That part of a 2 replenishment assessment levied pursuant to determinations under 3 subdivisions (a) and (b) of Section 60316 shall not be utilized for 4 the direct costs of prevention and removal of contaminants under 5 subdivisions (a) and (b) of Section 60224. Any part of a replenishment assessment levied pursuant to a determination under 6 7 subdivision (e) of Section 60316 which is not expended may be 8 obligated and expended for other uses authorized by Section 60224 after hearing and findings pursuant to Sections 60306 and 60315. Any part of a replenishment assessment levied pursuant to a 10 determination under subdivision (c) of Section 60316 which 11 remains unexpended and unobligated for five fiscal years after the 12 last obligation thereof, or any shorter period which the board may 13 by resolution determine, shall be deemed to have been levied for 14 15 other costs and expenses for which a replenishment assessment is authorized under this division. Funds 16

- (d) Funds from a replenishment assessment, although restricted as to use, may be loaned for any use for benefiting the groundwater basin to which and the replenishment assessment applies within the monetary limits for which, which such an assessment has been levied. Any such loan shall be for a period not longer than 18 months and shall bear interest, as nearly as practicable in the discretion of the board, at the rate which those funds might have otherwise been invested at the time of the loan.
- SEC. 9. Section 60325 of the Water Code is amended to read: 60325. (a) The district, after the levying of the replenishment assessment, shall give notice thereof to the operators of all water-producing facilities overlying the groundwater basin to which the replenishment assessment applies as disclosed by the records of the district.
- (b) The district, after the levying of the replenishment assessment, shall give notice thereof to the operators of all water-producing facilities in the district as disclosed by the records of such district, which notice shall state the rate of replenishment assessment for each acre-foot of ground water groundwater to be produced during the ensuing fiscal year. The notice may be sent by postal card or by other first-class mail with postage prepaid by the district.
- No reimbursement is required by this act pursuant 40 to Section 6 of Article XIIIB of the California Constitution because

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- a local agency or school district has the authority to levy service
- charges, fees, or assessments sufficient to pay for the program or
 level of service mandated by this act, within the meaning of Section
- 17556 of the Government Code.